



**CALIFORNIA
HIGH-SPEED RAIL
AUTHORITY**

BRIEFING: MARCH 2010 OPERATIONS COMMITTEE MEETING

TO: Richard Katz and Operations Committee Members

FROM: Mehdi Morshed
Executive Director

DATE: 2/25/2010

RE: Programming

During the last committee meeting you asked me to provide you with some suggestions for a multi-year program as a method of establishing priorities. Following are my thoughts as it relates to the subject. It is being offered as a place to start and it is not intended to be all inclusive or detailed. Once the committee and the board have had a chance to add their input, staff can proceed to prepare a more detailed process.

Planning and Programming

Currently the Authority has a plan to construct the entire phase 1; SF to Anaheim in 10 years. That plan is based on the assumption that funding will be available when needed. While this plan is an essential step in the process of building such a system, the Authority should responsibly plan for the event that the underlying assumption will not materialize.

The next step for the Authority should be to develop a multi-year program of activities and expenditures toward achieving the long range objective, but tailored to be a realistic estimate of available funds. This process should be similar to the State Transportation Improvement Program and/or Regional Improvement Program. It should start with an estimate of funds to be available during the 5 year program period.

Once an estimate is made, the project and activities can be scheduled against the estimated available funds. To accomplish this, the Authority needs to adopt Objective Criteria for setting priorities, for selecting useable segments to be included in the program; its sequence of activities and budget such as:

- Environmental and preliminary engineering
- Right of Way purchase
- Award of construction contract
- Commencement of operation

Criteria for selection of segments and activities may include the following:

- Availability and condition of federal funds
- Availability and condition of local and private funds
- Ease of acquiring Rights of Way
- Percent of bond funds as it relates to total of cost
- Constructability
- Utility of segment upon completion and public benefit
- Potential operation
- Geographic balance

Using the process and criteria should lead to a five year program which identifies annual expenditures for each activity and target dates for start and completion of each task. All future budget requests can be based on the multi-year program and the program can be used to track performance. The program should be a living document and should be revisited whenever major events necessitate the change or at its minimum every two years.